

## **INVITATION FOR SEALED BIDS**

IFB NO. 12.16.2015.426/3160000775  
TO PROVIDE: REHABILITATION MANAGEMENT AND TREATMENT SERVICES  
ISSUE DATE: 11/18/2015

### **CLOSING LOCATON**

Mississippi State Hospital - Building 93  
3550 Hwy 468 West/P.O. Box 1  
Whitfield, MS 39193

### **BID COORDINATOR**

H.L. Lockhart/Purchasing Chief  
Telephone: (601) 351-8056  
Fax: (601) 351-8034  
E-Mail: [Lockhhl@msh.state.ms.us](mailto:Lockhhl@msh.state.ms.us)

### **ADMINISTRATIVE CONTACT**

Bill Bullock: (601) 351-8246  
Email: [bill.bullock@msh.state.ms.us](mailto:bill.bullock@msh.state.ms.us)

### **CLOSING DATE AND TIME**

Bids must be received by 3:00 P.M. (CST) on 12/16/2015



# MISSISSIPPI STATE HOSPITAL

P.O. BOX 157-A, WHITFIELD, MS 39193

(601) 351-8000

WWW.MSH.STATE.MS.US

James G. Chastain, FACHE  
Director

## Mississippi State Hospital Invitation for Sealed Bids: Rehabilitation Management Services

12.16.2015.426/3160000775

November 18, 2015

Section - I

### Information For Bidders

1. In accordance with the rules and regulations of the Mississippi Personal Service Contract Review Board (MPSCRB) (a copy of which is available at 210 East Capitol Street – Suite 800, Jackson, MS, 39201 for inspection, or downloadable at [www.mspb.ms.gov](http://www.mspb.ms.gov).) Mississippi State Hospital (MSH) will receive sealed bids for the rehabilitation management and treatment services described in the following specifications for the MSH Jaquith Nursing Home Division (JNH), MSH Whitfield Medical Surgical Division (WMSH) and MSH Inpatient Services Division (IPS). Contractor shall understand that any eventual contract, resulting from this Invitation For Bid, shall be governed by the above referenced MPSCRB rules and regulations.
2. **Sealed bids must be received not later than 3:00 P.M., Wednesday, December 16, 2015,** at Mississippi State Hospital, Building 93 Central Warehouse, P.O. Box 1, 3550 Hwy 468 West, Whitfield, Mississippi 39193. The bid package must be delivered at the bidder's expense. Any bid received after the time and date set for receipt of bids is late. Any withdrawal or modification of a bid received after the time and date set for opening of bids at the place designated for opening is late. No late bid, late modification, or late withdrawal will be considered unless receipt would have been timely but for the action of State of Mississippi personnel directly serving Mississippi State Hospital
3. Opportunities for on-site visits at Mississippi State Hospital to discuss bid specifications and inspect work sites, products or equipment will be made by appointment only. Arrangements may be made by contacting H.L. Lockhart, Purchasing Chief, Mississippi State Hospital, P.O. Box 1, 3550 Hwy 468 West, Whitfield, Mississippi 39193 at (601) 351-8056. Bidders should submit **Exhibit – A**, receipt confirmation form by 5:00 P.M., **December 11, 2015**.
4. The **term of the contract** shall be for a period of four (4) years with the option to renew for one (1) additional year, for the services as specified in this request for sealed bids. The estimated start date for this contract will be **March 16, 2016 and the end date will be March 15, 2020, with the option to renew for one additional year.**
5. It is our intent to procure professional rehabilitation services, for the MSH Inpatient Services Division, MSH Jaquith Nursing Home Division, and MSH Whitfield Medical Surgical Division, for the types and quantities listed in this request for sealed bids, however quantities may be increased or decreased

accordingly if the needs of MSH require such a change. Contract awards shall be a requirement contract as defined by paragraph 3-501.05.3 of the Mississippi Personal Service Contract Procurement Regulations and therefore quantities of MSH service requirements will be considered indefinite, no specific quantity of services are guaranteed.

6. Failure to examine any drawings, specifications, and instructions will be at bidder's risk. It shall be incumbent upon the bidder to understand the specifications. All **final questions** and any request for clarifications shall be in writing and shall be submitted to our purchasing office at least four (4) days prior to the time and date set for the bid opening.
7. If any questions or responses require revision to the solicitation as originally published, such revisions will be by formal amendment only. If the solicitation includes a contact person, bidders are cautioned that any oral or written representation made by this or any person that appear to change materially any portion of the solicitation shall not be relied upon unless subsequently ratified by a written amendment to this solicitation issued by the MSH Purchasing Office. For determination as to whether any representation made requires that an amendment be issued, contact the MSH Purchasing Office at (601) 351-8056.
8. It is the intent of the specifications to obtain a product and/or service that will adequately meet the needs of the user while promoting the greatest extent of competition that is practicable. It is the responsibility of the prospective bidder to notify Mississippi State Hospital if the specifications, terms or conditions are formulated in a manner that would unnecessarily restrict competition. Any protest or question concerning the bid invitation content or bid procedures must be received in the Mississippi State Hospital Purchasing Office not less than five (5) days prior to the time and date set for the bid opening.
9. The minimum specifications stated herein are used to set a standard and in no case are used with the intention to discriminate against any prospective bidder. Bidders should submit detailed descriptions, manufacturer names models and literature of the product and services they propose to furnish.
10. Questions or problems arising from bid procedures or subsequent order and delivery of services procedures should be directed to H.L. Lockhart, Purchasing Chief, Mississippi State Hospital, P.O. Box 1, Whitfield, MS 39193, (601) 351-8056.
11. Only one bid, per line item, per bidder. This means that only a single bid will be accepted from each bidder for each line item requested. Alternate bids unless specifically requested will not be considered.
12. Prices quoted shall be fixed and firm for the entire term of the contract which shall be four (4) years with the option to renew for one (1) additional year.
13. Invoices are to be billed to Mississippi State Hospital, P.O. Box 1, Whitfield, MS 39193, Attn: Accounts Payable.

14. No bid shall be altered or amended after the final specified time for opening bids. Request for bids and modifications or corrections thereof received after the final closing time specified will not be considered.
15. No bid addendum will be issued within a period of five (5) working days prior to the time and date set for the initial bid opening. Should it become necessary to issue an amendment within the five day period prior to the bid opening, the bid opening date will be reset giving bidders sufficient time to answer the addendum.
16. If purchase orders or contracts are canceled because of the awarded vendor's failure to perform or request for an unspecified price increase, that vendor shall be removed from our bidder's list for a period of no less than twenty four (24) months.
17. The Bidder understands that Mississippi Department of Mental Health Facilities (MDMHF) are equal opportunity employers and therefore, maintain a policy which prohibits unlawful discrimination based on race, color, creed, sex, age, national origin, physical handicap, disability, genetic information, or any other consideration made unlawful by federal, state, or local laws. All such discrimination is unlawful and Bidder agrees during the term of the agreement that the Bidder will strictly adhere to this policy in its employment practices and provision of services. Bidder shall comply with, and all activities under this agreement shall be subject to, all applicable federal, State of Mississippi, and local laws and regulations, as now existing and as may be amended or modified.
18. It is expressly understood and agreed that the obligation of the State to proceed under any eventual agreement is conditioned upon the appropriation of funds by the Mississippi State Legislature and the receipt of state and/or federal funds. If the funds anticipated for the continuing fulfillment of the agreement are , at anytime, not forthcoming or insufficient, either through the failure of the federal government to provide funds or of the State of Mississippi to appropriate funds or the discontinuance or material alteration of the program under which funds were provided or if funds are not otherwise available to the state, the state shall have the right upon ten (10) days written notice to the vendor, to terminate this agreement without damage, penalty, cost or expenses to the state of any kind whatsoever. The effective date of termination shall be as specified in the notice of termination.
19. Mississippi State Hospital reserves the right to reject any and all bids in whole or in part and unless otherwise specified by the bidders, to award services, parts of services or by any group of services on the bid. MSH also reserves the right to cancel the solicitation in whole or in part when it is determined that such action is in the best interest of MSH. Also the right is reserved to waive minor informalities which do not affect the price, quality, delivery, or performance time of the services being procured. If the bidder fails to state the time within which bid must be accepted, it is understood and agreed that Mississippi State Hospital shall have sixty (60) days to accept.
20. **Award criteria.** Award will be a single vendor award made based on the lowest and best overall cumulative quarterly hour bid rate total for the PT, OT and ST occupational categories based on the

historical billing units provided in this IFB at section II – paragraph #3, plus the administrative fee to be charged. MSH shall give preference to in state Vendors as allowed by Mississippi State Code 31-7-47. Factors to be considered in determining the best bid include: (1) Bid Price (2) Conformity to Specifications (3) Responsibility of Bidder (4) Responsiveness of Bidder.

21. It is the intent of Mississippi State Hospital to procure only the products and services that meet the minimum standards stated herein. Alternates will be considered only if deviations to those standards are fully substantiated and submitted by potentially responsive sources denoting their equality to standards proposed, along with adequate documentation; including specifications, and construction details along with bid for evaluation and approval.
22. All products and services bid must equal or exceed specifications listed. The absence of detail specifications or the omission of detail description shall be recognized as meaning only the best commercial practices are to prevail and that only first quality services, materials and workmanship are to be used. All equipment bid, if applicable, shall be new and of current production, latest design and construction.
23. Bid openings will be conducted open to the public. However, they will serve only to open the bids. No discussion will be entered into with any vendor as to the quality or provisions of the specifications, and no award will be made either stated or implied at the bid opening. All bidders are invited and encouraged to attend the bid opening to review the submitted bids. After the close of the bid opening meeting and prior to award, the bids will be considered to be in the evaluation process and will not be available for review by bidders. Non-participants will be prohibited from obtaining any information relative to the bid until after the official award has been made.
24. The successful vendor will ensure that any written material prepared, after award, by the vendor in response to the requirements of this solicitation shall be thoroughly researched for accuracy of content, shall be grammatically correct and not contain spelling errors, shall be submitted in a format approved by the designated MSH Project Officer, and shall be submitted in a draft form for advance review and comment by the project officer. The cost of correcting grammatical errors or other revisions required to bring written materials into compliance with the solicitation requirements shall be borne by the successful vendor. MSH may waive requirements if it is determined to be in the best interest of Mississippi State Hospital. This clause applies to reports and any written document submitted by the successful vendor(s) after a contract has been awarded and not prior to a bid being submitted or as part of a bid submission.
25. The successful vendor shall irrevocably transfer, assign, set over, and convey to Mississippi State Hospital all rights, title, and interest, including the sole exclusive and complete copyright interest, in any and all copyrightable works created pursuant to any contract awarded as result of this bid invitation. The vendor further agrees to execute such documents as MSH may request to effect such transfer or assignment. Further the vendor agrees that the rights granted to MSH by this paragraph are irrevocable. The vendor's remedy in the event of termination of or dispute over any agreement entered into as a result of this solicitation shall not include any right to rescind, terminate, or otherwise

revoke or invalidate in any way the rights conferred pursuant to the provisions of this paragraph. Similarly, no termination of any agreement entered into as result of this solicitation shall have the effect of rescinding, terminating, or otherwise invalidating the rights acquired pursuant to the provisions of this paragraph. MSH may waive this requirement if it is determined to be in the best interest of the hospital.

26. The successful vendor will, upon termination of agreement, on the date agreed upon by both parties, disconnect, disassemble, crate, insure and ship all owned equipment, covered by any eventual agreement, to a destination designated by the owner at no cost to MSH.
27. The successful vendor must without limiting its obligations or liabilities and at its own expense, provide and maintain throughout the contract term, the following minimum coverage and limits of insurance: general liability limits of \$2,000,000.00 general aggregate and \$2,000,000.00 products – completed operations, personal and advertising injury liability \$1,000,000.00 each person, \$1,000,000.00 each occurrence, fire damage legal liability \$50,000.00, medical payments expense \$5000.00 any one person, any auto liability \$1,000,000.00 CSL, and umbrella liability \$1,000,000.00 aggregate. Vendor shall also maintain not less than \$1,000,000.00 each claim medical professional liability insurance. All required insurance will be endorsed to provide MSH with 30 days advance notice of cancellation or material change. The contractor must provide a Certificate of Insurance which is completed, certified by the original signature of an insurance company authorized to do business in Mississippi. The vendor must provide a Certificate of Insurance, showing MSH as **certificate holder** and **additional insured** under the contractor's general liability policy for the work to be performed, within **seven (7) working days** after notice of MSH intent to award a contract. Vendor shall also maintain in effect throughout the contract period worker's compensation insurance sufficient to meet or exceed the statutory minimum requirements of the State of Mississippi covering all persons performing work under this contract. The vendor shall be prepared to provide evidence of required insurance upon request by MSH at any during the contract period.
28. The Mississippi State Hospital accepts no responsibility for any expenses incurred by the bidder in the preparation and presentation of a bid. Such expenses shall be borne exclusively by the bidder.
29. The bidder should mark any and all pages of the bid considered to be proprietary information. Any pages not marked accordingly will be subject to review by the general public after award of the contract. Requests to review the proprietary information will be handled in accordance with applicable legal procedures and be subject to Mississippi Code Annotated 25-61-9 and 79-23-1.
30. Bidders shall acknowledge receipt of any amendment to the solicitation by signing and returning the amendment with the bid, by identifying the amendment number and date in the space provided for this purpose on the bid form, or by letter. The acknowledgment must be received by the Mississippi State Hospital by the time and at the place specified for receipt of bids.
31. Bidder will provide at least three(3) references for contracts to provide services of similar size and scope to those specified in this bid invitation. References must include at least two (2) references for

current contracts or those awarded during the past five years. Include the name of referenced organization, telephone number and the name of a responsible contact person. Reference information must be provided as a part of the bid package submitted for consideration. References must report the vendor to be of good reputation in providing applicable services. **See and complete Exhibit B.**

32. Bids must be submitted signed and sealed in an envelope with bidder's name and address on outside of the envelope, and the time (3:00 P.M.), date of the bid opening (December 16, 2015), and bid file number (12.16.2015.426) on the outside lower left corner of the envelope. Bid prices must be submitted on the procurement schedule form provided in the bid package on pages 18 – 19 only.
33. The successful vendor(s) shall enter into a contract which is substantially the same as the sample contract and its general terms and conditions attached as **Exhibit - C**. The total contract shall consist of this invitation for bid, the proposed bid offer from vendor and the standard sample contract shown as **Exhibit – C**. No other documents shall be a part of the formal contractual agreement. In no event is a vendor to submit its own standard contract terms and conditions in response to this solicitation. The Bidder may submit exceptions to terms and conditions listed in **Exhibit – C**, and MSH will review requested exceptions and accept or reject exceptions at its sole discretion and as approved by the Mississippi Personal Service Contract Review Board. This contract shall take priority over any other agreements that may be signed separately in conjunction with this invitation for bid, to include third party agreements.
34. Change To Invitation To Bid. Prospective Bidders shall not change or alter this bid invitation in any way. Award will be based on acceptance of this invitation in its entirety and vendor shall respond solely utilizing this IFB document as required.
35. Negotiation Delay. If a written agreement cannot be negotiated within thirty (30) days of notification of the successful bidder(s), MSH may at its sole discretion at any time thereafter, terminate negotiations with that bidder and either negotiate a contract with the next qualified bidder or choose to terminate the IFB process and not enter into a contract with any of the bidders.
36. The vendor agrees that submission of a signed bid form is certification that the vendor will accept an award made to it as a result of the submission.
37. Before submitting a bid, each bidder shall make all investigations and examinations necessary to ascertain all site conditions and requirements affecting the full performance of the contract and to verify any representations made by MSH upon which the bidder will rely. If the bidder receives an award as a result of its bid submission, failure to have made such investigations and examinations will in no way relieve the bidder from its obligation to comply in every detail with all provisions and requirements of the contract documents, nor will a plea of ignorance of such conditions and requirements be accepted as a basis for any claim whatsoever by the contract for additional compensation.
38. Taxes. Mississippi State Hospital is exempt from federal excise taxes and state and local sales or use

taxes and bidders must quote prices which do not include such taxes. Evidence of exemption will be furnished upon request. Contractors making improvement to, additions to or repair work on real property on behalf of Mississippi State Hospital are liable for any applicable sales or use taxes on purchase of tangible personal property for use in connection with eventual contract. Contractors are likewise liable for any applicable use tax on personal property furnished to them by MSH for use in connection with their contracts. Contractors shall be liable for all personal property taxes that become due as a result of any awarded contract related to this Invitation for Bid.

39. The following schedule will be followed, however it is subject to change as determined by MSH
  - A. November 24, 2015 and December 1, 2015 ad appears in newspaper
  - B. Wednesday, December 16, 2015 bids are due by 3:00 P.M. Central Time
  - C. December 16, 2015 through December 18, 2015 bids will reviewed & evaluated.
  - D. December 18, 2015 vendors will be notified of intent to award
  - E. December 25, 2015 bid protest deadline
  - F. January 19, 2015 contract reviewed by the MDMHB
  - G. February 16, 2015 Bids/contract reviewed by the PSCRB
  - H. Estimated contract start date: 3/16/2016
40. Tie Bids. Low tie bids shall be awarded as specified in paragraph 3-202.14 of the State of Mississippi Personal Service Contract Procurement Regulations.
41. Mistakes in Bids. Mistakes in bids submitted shall be determined and resolved as specified in paragraph 3-202.12 of the State of Mississippi Personal Service Contract Procurement Regulations.
42. Bid modification and withdrawal. Bids may be modified or withdrawn by written notice received in the MSH Purchasing Office prior to the time and date set for bid opening.
43. Late Bids. Any bid received after the time and date set for receipt of bids is late. Any withdrawal or modification of a bid received after the time and date set for opening of bids at the place designated for opening is late. No late bid, late modification, or late withdrawal will be considered unless receipt would have been timely but for the action or inaction of state personnel directly serving Mississippi State Hospital. Bidders submitting late bids which shall not be considered for award shall be so notified as practicable.
44. All vendors shall sign and return the Certifications and Assurances Form, **Exhibit – D** and the Acknowledgement and Authorization Form, **Exhibit – E**.
45. Any protest by a responsive Bidder must be timely and in conformance with Mississippi Personal Service Contract Review Board regulations. The protest period for responsive Bidders shall begin on the day following the issuance of the notice of intent to award contract and end 5:00 P.M. on the seventh day following issuance of the notice. Protests must be written and must include the name and address of the protestor and the IFB number. It must also include a statement of grounds for protest,



including appropriate supporting exhibits, and it must specify the ruling requested from MSH. The protest must be delivered to the MSH IFB coordinator. Protests received after the deadline will not be accepted.

46. Payments by state agencies using Mississippi's Accountability System for Government Information and Collaboration (MAGIC) shall be made and remittance information provided electronically as directed by the State. These payments shall be deposited into the bank account of the Contractor's choice. The State may, at its sole discretion, require the Contractor to submit invoices and supporting documentation at any time during the term of this Agreement. Contractor understands and agrees that the State is exempt from the payment of taxes. All payments shall be in United States currency. Please see **Exhibit – F** for applicable rules and the signature page which must be signed and returned with your proposal.
47. Bidder shall understand that Mississippi State Hospital became a tobacco-free facility, effective June 30, 2008. The use of tobacco products by patients, residents (admitted after March 1, 2008), employees, visitors, vendors, and contractual staff is prohibited.
48. If applicable, Bidder represents and warrants that it will ensure its compliance with the Mississippi Employment Protection Act of 2008 and will register and participate in the status verification system for all newly hired employees. Miss. Code Ann. §§ 71-11-1 *et seq.* (1972, as amended). The term "employee" as used herein means any person that is hired to perform work within the State of Mississippi. As used herein, "status verification system" means the Illegal Immigration Reform and Immigration Responsibility Act of 1996 that is operated by the United States Department of Homeland Security, also known as the E-Verify Program, or any other successor electronic verification system replacing the E-Verify Program. Bidder agrees to maintain records of such compliance. Upon request of the State and after approval of the Social Security Administration or Department of Homeland Security when required, Bidder agrees to provide a copy of each verification. Bidder further represents and warrants that any person assigned to perform services hereunder meets the employment eligibility requirements of all immigration laws. The breach of this agreement may subject the Bidder to the following: (a) termination of this contract for services and ineligibility for any state or public contract in Mississippi for up to three (3) years with notice of such cancellation/termination being made public; (b) the loss of any license, permit, certification or other document granted to Bidder by an agency, department or governmental entity for the right to do business in Mississippi for up to one (1) year; or, (c) both. In the event of such termination/cancellation, Bidder would also be liable for any additional costs incurred by the State due to contract cancellation or loss of license or permit to do business in the State.
49. The contract may be cancelled by MSH in whole or in part by written notice of default to the Contractor upon non-performance, violation of contract terms, delivery failure, bankruptcy or insolvency, or the making of an assignment for the benefit of creditors. An award may then be made to the next low bidder, or when time is of the essence, similar commodities and/or service may be purchased on the open market. In either event, the defaulting Contractor (or his/her surety) shall be liable to MSH for cost to MSH in excess of the defaulted contract price. Lack of knowledge by the Contractor will in no

way be a cause for relief from responsibility.

50. The contract shall be governed by and construed in accordance with laws of the State of Mississippi, excluding its conflicts of laws provisions, and any litigation with respect thereto shall be brought in the courts of the State. The contractor shall comply with applicable federal, state and local laws and regulations.
51. The MSH Director or designated Procurement Officer, may, by written order to the contractor at any time, and without notice to any surety, require the Vendor to stop all or any part of the work called for by this contract. This order shall be for a specified period not exceeding 90 days after the order is delivered to the Vendor, unless the parties agree to any further period. Any such order shall be identified specifically as a stop work order issued pursuant to this clause. Upon receipt of such an order, the Vendor shall forthwith comply with its terms and take all reasonable steps to minimize the occurrence of costs allocable to the work covered by the order during the period of work stoppage. Before the stop work order expires, or within any further period to which the parties shall have agreed, the MSH Director or Procurement Officer shall either:
- A. Order to Stop Work.
    - (1.) cancel the stop work order; or
    - (2.) terminate the work covered by such order as provided in the 'Termination for Default Clause' (paragraph 13) or the 'Termination for Convenience Clause' (paragraph 12) of this contract.
  - B. Cancellation or Expiration of the Order. If a stop work order issued under this clause is canceled at any time during the period specified in the order, or if the period of the order or any extension thereof expires, the Vendor shall have the right to resume work. An appropriate adjustment shall be made in the delivery schedule or Vendor price, or both, and the contract shall be modified in writing accordingly, if:
    - (1) the stop work order results in an increase in the time required for, or in the Vendor's cost properly allocable to, the performance of any part of this contract; and
    - (2) the Vendor asserts a claim for such an adjustment within 30 days after the end of the period of work stoppage; provided that, if the MSH Director or Procurement Officer decides that the facts justify such action, any such claim asserted may be received and acted upon at any time prior to final payment under this contract.
  - C. If a stop work order is not canceled and the work covered by such order is terminated for default or convenience, the reasonable costs resulting from the stop work order shall be allowed by adjustment or otherwise.
  - D. Any adjustment in contract price made pursuant to this clause shall be determined in accordance with the Price Adjustment Clause (paragraph 28) of this contract.
52. Contractor agrees to accept all payments in United States currency via the State of Mississippi's electronic payment and remittance vehicle. MSH agrees to make payment in accordance with Mississippi law on "Timely Payments for Purchases by Public Bodies," which generally provides for

payment of undisputed amounts by the agency within forty-five (45) days of receipt of invoice. Miss. Code Ann. § 31-7-305 (1972, as amended).

53. The eventual contract awarded as a result of this IFB must be approved by the State Board of Mental Health.
54. Bidders shall be registered with the Mississippi Secretary of State's Office as a Business Provider in good standing to provide services in the State of Mississippi.
55. In accordance with MPSCRB regulation 7-112 Bidders may request, in writing, a post-award debriefing. The request for the debriefing must be received by MSH within three (3) business days of notification of the contract award. Bidders, minimally, shall receive information as specified in MPSCRB regulation 7-112.03, during scheduled debriefings.
56. Bidders must register as a vendor with Mississippi's Accountability System for Government Information and Collaboration (MAGIC) prior to submission of a bid. Bidders are required to submit a bid, on line, through Magic and also submit a paper copy of their bid directly to MSH. Bidders may go on line at [mash.dfa.state.ms.us](http://mash.dfa.state.ms.us) or call (601) 359-1343 for assistance with registering in Magic or submitting a bid through the Magic system.
57. This contract, including any accompanying exhibits, attachments, and appendices, is subject to the "Mississippi Public Records Act of 1983," and its exceptions. See Miss. Code Ann. §§ 25-61-1 *et seq.*, (1972, as amended) and Miss. Code Ann. § 79-23-1 (1972, as amended). In addition, this contract is subject to the provisions of the Mississippi Accountability and Transparency Act of 2008. Miss Code Ann. §§27-104-151 *et seq.* (1972, as amended). Unless exempted from disclosure due to a court-issued protective order, a copy of this executed contract is required to be posted to the Department of Finance and Administration's independent agency contract website for public access at <http://www.transparency.mississippi.gov>. Information identified by Bidder as trade secrets, or other proprietary information, including confidential vendor information, or any other information which is required confidential by state or federal law or outside the applicable freedom of information statutes, will be redacted.
58. The successful contractor shall provide a performance bond payable to and in favor of and for the protection of Mississippi State Hospital, as owner, for the work to be done, in an amount of one hundred percent (100%) of the annual awarded contract amount, which shall be conditioned for the full and faithful performance of the agreed upon contract. The bonds herein provided for may be made by any surety company authorized to do business in the State of Mississippi and listed on the United States Treasury Department's list of acceptable sureties. Contractor shall provide the required bond within seven (7) business days after receiving the MSH intent to award contract notice.
59. If a written contract agreement cannot be finalized within thirty (30) days of notification of the successful bidder, MSH at its sole discretion at any time thereafter, terminate negotiations with that bidder and either enter into a contract with next highest ranking qualified bidder or choose to terminate

the IFB process and not enter into a contract with any of the bidders.

60. Any protest by a responsive bidder must be timely and in conformance with Mississippi Personal Services Contract Review Board regulations. The protest period for responsive bidders shall begin on the day of the issuance of the notice of intent to award contract and will end 7 calendar days afterward at 5:00 P.M. on that 7<sup>th</sup> day following issuance of notice of intent to award. Protest must be written and must include the name and address of the protestor and the Invitation For Bid number. It must also include a statement of grounds for protest including appropriate supporting exhibits, and it must specify the ruling requested from MSH. The protest must be delivered to the IFB coordinator. Protests received after the deadline will not be accepted. All protests will be reported to the Mississippi Personal Services Contract Review Board.
61. The successful contractor shall comply with MSH communication and computer access policies. See **Exhibit – G**.
62. MSH will notify the successful bidder of award, and proceed to confirm terms for a final contract. Unsuccessful bidders will be notified accordingly.

## **Section - II**

### **Service Requirements/Specifications**

1. Purpose. The Mississippi State Hospital seeks to contract with one vendor to provide professional rehabilitation management services, at the main campus located in Whitfield Mississippi, to all on campus patient care divisions. Services sought must meet all applicable regulations and standards. MSH intends to select a provider that has the proven experience and expertise to perform the services described in this invitation for bid and shows the potential to be able to duplicate a high level of performance, within our allocated budget, for all required services. Acting as an independent agent the bidder shall be responsible for all personnel, business functions to include accounting and purchasing of operational goods and services not paid for with MSH funds, and all aspects of day to day management decisions.
2. Background. The Mississippi State Hospital is a large psychiatric hospital and is the largest facility operated by the Mississippi Department of Mental Health. It is located about fifteen miles southeast of Jackson, Mississippi (Capitol) and directly south of the Jackson Evers International Airport on County Road 468. MSH was completed in 1935. The hospital complex was built on the cottage plan and occupies 350 acres. It includes over 130 buildings including staff residences. Patients are housed in approximately 22 buildings on the MSH campus. MSH is licensed for 1329 beds. The hospital has an average daily census of 726 patients. All MSH Divisions are accredited by the Joint Commission. The operational divisions of MSH are acute care, rehabilitation home, child and adolescent psychiatric, and adult psychiatric.
3. Scope. The scope of work shall consist of providing professional physical therapy, occupational therapy, speech therapy, and hearing (audiology) therapy management and treatment services for the MSH IPS Division, MSH Whitfield Medical Surgical Division, and MSH Jaquith Nursing Home

Division. Therapy services will comply with all applicable regulations and standards. The billing units for the most recent complete MSH fiscal year, July 1, 2014 to June 30, 2015 were PT – 8908, OT – 13118 and ST – 1541.

#### **4.0 SPECIFICATIONS**

##### **VENDOR REQUIREMENTS**

- 4.1 The successful vendor will adhere to all regulations and standards that govern MSH.
- 4.2 The assigned Rehabilitation Manager shall ensure that all disciplines exceed the minimum financial goals set to include productivity, labor costs and budgeted targets. Provide detailed action plans when budgeted goals are not achieved with suspense dates to ensure that all financial goals and objectives are achieved. Progress reports will be copied to MSH.
- 4.3 The successful contractor shall demonstrate its ability to develop public relations strategies to enhance work relations among staff, patients, residents, and MSH.
- 4.4 The successful contractor shall maintain efficient and effective department operations, while requiring compliance with Medicare, Medicaid, and third party reimbursement, as well as regulatory issues with all state, federal, and local regulatory laws, and all MSH standards and protocols.
- 4.5 The successful contractor shall provide a copy of current license, registration, or certification as applicable, for each contract employee assigned to any MSH division.
- 4.6 The successful contractor shall ensure each contract employee has results of an annual TB test on file and also evidence of current CPR certification must be on file prior to assignment to any MSH Division.
- 4.7 The successful contractor shall ensure that each of its assigned contract employees is identified by a name and photo ID badge, which must be worn by the employee at all times while on assignment at MSH.
- 4.8 The successful contractor shall assume responsibility for providing workers' compensation, federal and state taxes, FICA, and all other employer's taxes on behalf of its contract employees as required by all applicable laws.
- 4.9 The successful contractor shall ensure contract employees fully comply with the policies and procedures of the serviced MSH Division. Contract employees will also be required to comply with applicable standards of practice and all applicable regulations as now existing and as may be modified or amended. Contract employees must also comply fully with Joint Commission standards. Successful contractor shall demonstrate a capability to meet applicable regulations and bid requirements prior to being awarded a contract.

- 4.10 The successful contractor shall have a minimum of five (5) years of hospital operational management experience in rehabilitation services in Acute Care, Swing-Bed, Long-Term Care, and Outpatient hospitals.
- 4.11 The successful contractor shall provide support resources to address billing/reimbursement related matters, appeals process, and potential prepayment, post-payment and full focus medical review. Contractor shall provide the names, titles, credentials, experience and certifications of the support resources.
- 4.12 The successful contractor must provide documentation of any and all training provided by the contractor to management personnel and staff therapists for billing, coding, documentation and compliance on a yearly basis. Documentation must include proof of attendance and agenda of training material.
- 4.13 The successful contractor must provide measures to ensure concurrent therapy is not provided to Medicare Part B patients.
- 4.14 The successful contractor shall have a means to electronically append modifiers to grids for modalities requiring a modifier to ensure clean submission of therapy claims.
- 4.15 The successful contractor shall have a system that requires start time and stop times per modality.
- 4.16 The successful contractor shall have an automated system which recognizes service based codes as one service, regardless of the number of minutes.
- 4.17 The successful contractor shall provide a copy of therapy documentation policies.
- 4.18 The successful contractor shall have an established corporate compliance and HIPAA compliance program and will have in its employ a full time certified Corporate Compliance Officer.
- 4.19 The successful contractor shall maintain performance data and performance improvement activities as directed by the designated MSH Officer assigned and employed with Mississippi State Hospital.
- 4.20 The successful contractor shall assure competency and current licensure and/or certification of all personnel assigned to perform work under this contract.
- 4.21 The successful contractor shall coordinate and supervise the operational functions of the MSH Rehabilitation Program, in terms of clinical oversight, utilization management, long-range planning, program development, annual budgeting, staff education, and policy and procedure implementation.
- 4.22 The successful contractor shall designate an employee to serve as the Manager of Operations and also collect and report quality assurance and performance improvement data activities to the assigned

MSH contract Officer.

- 4.23 The successful contractor shall ensure therapy documentation is provided in accordance with accepted, professional standards, requirements of applicable third party payers, all Federal and State laws and regulations and Joint Commission accreditation guidelines.
- 4.24 The successful contractor shall ensure accurate and timely reporting for billing.
- 4.25 The successful contractor shall ensure that contract employees comply with HIPPA Corporate Compliance Policies and Procedures.
- 4.26 The successful contractor shall provide qualified Physical Therapists, Occupational Therapists, Licensed Physical Therapist Assistants, Certified Occupational Therapy Assistants, Rehabilitation Technicians, Speech Therapists and Audiologists as needed or as required when current MSH Physical Therapy, Occupational Therapy, Speech Therapy and Audiology positions become vacant through the process of attrition.
- 4.27 The successful contractor shall provide in-service training as deemed necessary by MSH for MSH or contractor employees. This training shall include initial training for all rehabilitation staff and as needed special topic training. All training will be conducted by someone qualified by education and experience.
- 4.28 Contractor management personnel will receive orientation to MSH by MSH Staff within the first week of reporting to work on the MSH campus. Contractor non-management employees must complete the MSH Contract Employee Orientation prior to the beginning of their first assigned shift in any MSH Division.
- 4.29 The successful contractor shall provide contract employees mandatory annual training in the areas of corporate compliance, Office of Inspector General annual updates, Medicare/Medicaid & third party payer documentation, correct coding initiative updates, regulatory and reimbursement, differentiation between covered and non-covered services, and recovery audit contractors.
- 4.30 The bidder shall submit a sample treatment plan and analysis for each discipline for which it is submitting a bid as a part of the bid submitted.
- 4.31 The bidder must provide a description of its internal purchasing system which highlights efforts to control costs and promote efficiencies as a part of the bid submitted.
- 4.32 The bidder must provide a brief narrative which indicates the understanding of the operational application of any national, state, or local standards governing the provision of rehabilitative services as a part of the bid submitted.
- 4.33 The successful contractor shall not subcontract rehabilitation service operations or utilize on-site contract labor without the express written consent of the MSH Director.

- 4.34 The bidder shall provide a sample of established rehabilitation management services policies and procedures utilized in facilities that are currently under contract or were under contract within the last five years as a part of the bid submitted.
- 4.35 The successful contractor shall understand that MSH expects the contractor to develop an operational program which provides the same level of services to all MSH residents and patients regardless of benefits.
- 4.36 The bidder must provide details on its ins-service training and orientation program to include proposed training of any MSH rehabilitation staff.
- 4.37 The successful contractor shall adhere to MSH Infection Control and Safety policies and procedures.
- 4.38 The successful contractor shall be responsible for the safety, sanitation/disinfection, maintenance, repair and replacement of all contractor owned equipment utilized in the performance of this contract.
- 4.39 The successful contractor shall be responsible for the routine cleaning and disinfection of all therapy equipment used by contractor in the treatment of patients covered under this contract.
- 4.40 The successful contractor shall be responsible for the accountability and care of patient supplies and devices for patients, billed by the contractor.
- 4.41 The successful contractor shall be responsible for providing state-of-the art therapy equipment as agreed upon by both parties, at the contractor's expense and ownership to be retained by the contractor.
- 4.42 The successful contractor shall responsible for the replacement of all small supply items due to wear and tear or damage due to negligence on the contractor's part.
- 4.43 The successful contractor shall be responsible for any building/facility renovation to accommodate new systems or changes recommended by contractor and upon the review and approval of the MSH Director, and any applicable State of Mississippi oversight authorities and in compliance with any applicable State of Mississippi procurement regulations.
- 4.44 The successful contractor shall be responsible for the repair, replacement and/or payment for damage to MSH property caused by contractor's negligence.

#### **MSH REQUIREMENTS**

- 4.45 MSH shall be responsible for providing all MSH rehabilitation treatment facilities, as equipped and ready to operate. Such facilities and equipment shall be maintained in a manner that is acceptable to any oversight governmental agency. Any replacement of equipment that wears out as the result of normal wear and tear shall be provided through negotiation between MSH and contractor upon the



review and approval of the MSH Director, and any applicable State of Mississippi oversight authorities and in compliance with any applicable State of Mississippi procurement regulations.

- 4.46 MSH shall provide pest control services for all MSH rehabilitation treatment facilities.
- 4.47 MSH shall provide maintenance, repair and replacement of existing equipment, owned by MSH.
- 4.48 MSH shall provide all utilities, even during periods of service interruptions such as during bad weather, facility damage, renovation and construction.
- 4.49 MSH shall provide local phone service.
- 4.50 MSH shall be responsible for building maintenance and repair, inside and outside to include any needed painting.
- 4.51 MSH shall be responsible for building/facility renovations to accommodate changes directed by MSH.
- 4.52 MSH shall be responsible for all grounds care/maintenance.
- 4.53 MSH shall be responsible for all general cleaning of the rehabilitation treatment areas within building 27 to include walls, draperies, blinds, counter tops, windows, tables, chairs and floors.
- 4.54 MSH shall be responsible for garbage/trash collection and removal to include provision of a dumpster for building 27.

#### **GENERAL REQUIREMENTS**

- 4.55 Both MSH and the successful contractor shall agree that at any time it is determined, by both parties, that performance standards are not being met, a penalty will be assessed to the contractor. The penalty will be six (6%) of monthly billings until performance standards are met, with a minimum penalty of six (6%) of billing for the month immediately following discovery of noncompliance by MSH. Penalty will be assessed for non-timely corrective action.
- 4.56 If MSH and the contractor do not agree, issues of non-compliance will be referred to the MSH Director for a final decision. If the MSH Director finds the contractor within compliance, no penalty will be assessed. If the MSH Director finds the contractor out of compliance, penalty will be assessed as in 4.55 above.
- 4.57 If a citation from a regulatory agency or other survey results in a monetary fine attributed to the contractor, contractor will pay the fine.
- 4.58 Contractor shall only bill for those treatments actually conducted.
- 4.59 Contractor shall submit a monthly invoice to MSH, for services performed, within three (3) days after

the end of each month. Contractor shall also submit a final invoice for the MSH fiscal year, ending June 30<sup>th</sup>, by August 10<sup>th</sup> each year.

- 4.60 Contractor's invoice and/or accompanying documentation shall show a breakdown by patient, discipline, reimbursement source, therapist, date of treatment, start time and stop time of treatment, service units being billed, and description of treatment given. Contractor shall maintain documentation to support invoice amounts.
- 4.61 Contractor shall utilize generally accepted accounting principles and practices in the maintenance of financial records for rehabilitation management service operations.
- 4.62 Contractor shall permit, upon request, MSH or State of Mississippi Authorities to audit its accounts, verify all reports/records/data, and obtain any other desired information by direct reference to ledgers, correspondence, memoranda, and any other records pertinent to rehabilitation management services provided to MSH.
- 4.63 If identified problems, with contract compliance, are not corrected to the full satisfaction of MSH within thirty (30) days of written notice to the contractor; the contract may be cancelled.
- 4.64 The contract may be terminated, for cause, by either party with a 90 day written notice.
- 4.65 The contract may be amended, by mutual agreement by both parties, to accommodate any needed changes and subject to the oversight approval of the Mississippi Personal Services Contract Review Board.
- 4.66 Upon expiration or termination of contract, contractor shall surrender peaceable possession of the premises and all property of every kind furnished by MSH in as good an order as when received, taking into consideration normal wear and tear and depreciation.
- 4.67 In the event a contractor, other than the incumbent contractor is selected, the disposition of all equipment belonging to the incumbent will be scheduled and arranged in such manner as to ensure continuity of rehabilitation operations and prevent any disruption of services.
- 4.67 It is understood that any building modification or renovation, agreed to by both parties, must be approved by the MSH Director and any State of Mississippi oversight authority as required, and will comply with all applicable State of Mississippi procurement regulations/laws.
- 4.68 It is understood that any equipment procurement, agreed to by both parties, must be approved by the MSH Director and any State of Mississippi oversight authority as required, and will comply with all State of Mississippi procurement regulations/laws.
- 4.69 The ownership of equipment purchased by either party, to be utilized in the performance of this contract, shall be retained by the party paying for the equipment.

- 4.70 Successful contractor shall have an established place of business operations domiciled within a 215 mile radius of the main campus of Mississippi State Hospital located at 3550 Hwy 468 West, Whitfield, MS 39193.
5. Reporting Requirements. Contractor shall provide reports detailing action plans for budget goals not achieved, productivity reports for all treatment activity, and action plans for regulatory non-compliance. All reports shall be provided to MSH by the 15<sup>th</sup> of each month.
6. Place of Performance. Vendor employees assigned to work under this contract shall perform all services at the MSH campus, primarily in building 27 which has been designated for rehabilitation therapy activities.
7. Period of Performance. Vendor(s) shall provide required services, beginning on approximately March 16, 2016 and ending March 15, 2020, with the option to renew for one additional year.

**Section – III**  
**Procurement Schedule – MSH Bid File: 12.16.2015.426**  
**Rehabilitation and Certified Rehabilitation Assistant Services**

Physical Therapist (PT) Unit Rate:\$\_\_\_\_\_ Per Quarter Hour

Occupational Therapist (OT) Unit Rate:\$\_\_\_\_\_ Per Quarter Hour

Speech Therapist (ST) Unit Rate:\$\_\_\_\_\_ Per Quarter Hour

Audiologist Unit Rate:\$\_\_\_\_\_ Per Quarter Hour

Licensed Physical Therapist Assistant Unit Rate:\$\_\_\_\_\_ Per Quarter Hour

Certified Occupational Therapy Assistant Unit Rate:\$\_\_\_\_\_ Per Quarter Hour

Rehab Technician Unit Rate:\$\_\_\_\_\_ Per Quarter Hour

Administrative Charge:\$\_\_\_\_\_ Per Hour

BIDS WILL BE OPENED: 3:00 P.M. Wednesday, December 16, 2015 at Building 93, Mississippi State Hospital.

I certify that I am authorized to enter into a binding contract, if this bid is accepted.

Vendor's Quotation No. \_\_\_\_\_ Date \_\_\_\_\_

Name Of Company \_\_\_\_\_ Telephone \_\_\_\_\_

Fax \_\_\_\_\_ E-Mail \_\_\_\_\_

Address \_\_\_\_\_

City/State/Zip Code \_\_\_\_\_

By \_\_\_\_\_ Title \_\_\_\_\_

(Signature)

We submit the above prices and agree to provide services within \_\_\_\_\_ days from receipt of order or notice to proceed. Unless notified to the contrary, this offer is good for 60 days from the date of the bid opening. In submitting the above bid, it is expressly agreed that upon proper acceptance of any or all items by the Mississippi State Hospital, a contract shall hereby be created only after a written purchase order or contract award notice is mailed or otherwise furnished to the successful bidder within the time of acceptance specified above without further action by either party. The contract shall not be assignable by the vendor in whole or in part without the written consent of Mississippi State Hospital.

H.L. Lockhart



Purchasing Chief

**EXHIBIT - A  
RECEIPT CONFIRMATION FORM  
MISSISSIPPI STATE HOSPITAL  
IFB NO. 12.16.2015.426**

In acknowledgement of receipt of this Invitation For Bid (IFB) the undersigned agrees that he/she has received a complete copy, beginning with cover page, and ending with Attachment - F. This receipt form should be returned, to the IFB Coordinator, no later than **5:00 P.M. December 11, 2015**. Only potential bidders who elect to return this form completed with the intention of submitting a bid will receive additional information about this IFB, to include copies of all bidder questions and MSH written responses to those questions as well as IFB amendments.

Company: \_\_\_\_\_

Street Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_

E-Mail: \_\_\_\_\_ Fax No.: \_\_\_\_\_

Phone No.: \_\_\_\_\_ Voice Mail: \_\_\_\_\_

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

E-Mail: \_\_\_\_\_

The above name and address will be used for all correspondence related to the IFB.

Company does \_\_\_\_\_ does not \_\_\_\_\_ intend to respond to this IFB.

**H.L. Lockhart (RFP Coordinator)  
Mississippi State Hospital  
3550 Hwy 468 West/P.O. Box 1  
Whitfield, MS 39193  
(601) 351-8056/Phone  
(601) 351-8034/Fax  
Lockhhl@msh.state.ms.us**

## REFERENCE PAGE – EXHIBIT B

COMPANY NAME	CONTACT PERSON	TELEPHONE	DATE OF LAST SERVICE/SALE

### YEARS IN BUSINESS

Indicate the length of time you have been in business providing the services requested in this invitation for bid: \_\_\_\_\_ Years and \_\_\_\_\_ Months

**SAMPLE SERVICE AGREEMENT – EXHIBIT C**  
**REHABILITATION MANAGEMENT & TREATMENT SERVICES**  
**MISSISSIPPI STATE HOSPITAL**

This agreement, made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2016, between Mississippi State Hospital (MSH), hereinafter referred to as “Hospital” and Smith Rehab Services, Inc., hereinafter referred to as “Vendor”. This contract shall take precedence over all agreements and understandings between the parties. Vendor, by its acceptance agrees hereof, to provide to Hospital, and Hospital, by its acceptance hereof, agrees to accept from Vendor, the services listed in Schedule - A, which is attached hereto and incorporated herein.

For good and valuable consideration, the parties agree:

1. The Vendor shall perform in a good and workmanlike manner all services necessary to provide professional rehabilitation management and treatment services and documentation in accordance with the requirements/specifications as described in Schedule - A and all attachments and schedules for the Hospital.

2. That the contract consists of this Agreement, the service requirements attachment, attached as Schedule - “A”, and the Response Bid by Smith Rehab Services, Inc., dated 12/23/2015, herein referred to as “Bid” and attached as Schedule - “B”. Any ambiguities, conflicts or questions of interpretation of this Contract shall be resolved by first reference to this Agreement and, if still unresolved, by reference to Schedule – A, and if still unresolved, by reference to the Bid. Omission of any term or obligation from this Agreement or attached Schedules A or B shall not be deemed an omission from this Contract if such term or obligation is provided for elsewhere in this Contract.

3. That the effective date of this agreement shall be 4/20/2016 and the duration of this agreement shall be no later than 4/19/2020, with the option to renew for one additional year. Either party may terminate this agreement, with cause, by giving ninety (90) days prior written notice.

4. In consideration of services provided the Hospital agrees to pay to the Vendor the specific sums listed in Schedule - B for the services specified in Schedule - A and in no event, however, will the compensation paid to vendor be more than the specific sums listed in Schedule – B. Vendor shall submit an invoice and statement of services rendered at the end of each month in a timely manner. Hospital agrees to make payment in accordance with Mississippi law on “Timely Payments for Purchases by Public Bodies,” Sections 31-7-301, et. seq. of the 1972 Mississippi Code Annotated, as amended, which generally provides for payment by Hospital within forty-five days of the date the invoice is received and the services or goods are inspected and accepted as satisfactory. The parties understand and agree that the Hospital is exempt from the payment of taxes. The parties

understand that all payments, partial and full, will become due at the end of each month after services have been performed.

5. The Vendor shall, at all times, be regarded as and shall be legally considered an Independent Contractor and shall at no time act as an agent of the Hospital. Nothing contained herein shall be deemed or construed by the Hospital, the Vendor, or any third party as creating the relationship of principal and agent, master and servant, partners, joint ventures, employer and employee, or any similar such relationship between the Hospital and the Vendor. Neither the method of computation of fees or other charges, nor any other provision contained herein, nor any acts of the Hospital or the Vendor hereunder, creates or shall be deemed to create a relationship other than the independent relationship of the Hospital and the Vendor. Vendor's personnel shall not be deemed in any way, directly or indirectly, expressly or by implication, to be employees of the Hospital. Neither the Vendor nor its employees shall, under any circumstances, be considered servants, agents, or employees of the Hospital; and the Hospital shall be at no time legally responsible for any negligence or other wrongdoing by the Vendor, its servants, agents, or employees. The Hospital shall not withhold from the contract payments to the Vendor any federal or State of Mississippi unemployment taxes, federal or State of Mississippi income taxes, Social Security tax, or any other amounts for benefits to the Vendor. Further, the Hospital shall not provide to the Vendor any insurance coverage or other benefits, including Worker's Compensation, normally provided by the Hospital for its employees.

6. The Vendor warrants that it is a validly organized business with valid authority to enter into this agreement; that it is qualified to do business and in good standing in the State of Mississippi; that entry into and performance under this agreement is not restricted or prohibited by any loan, security, financing, contractual or other agreement of any kind, and notwithstanding any other provision of this agreement to the contrary, that there are no existing legal proceedings, or prospective legal proceedings, either voluntary or otherwise, which may adversely affect its ability to perform its obligations under this agreement.

7. If any term or provision of this agreement is prohibited by the laws of the State of Mississippi or declared invalid or void by court of competent jurisdiction, the remainder of this agreement shall be valid and enforceable to the fullest extent permitted by law.

8. The Vendor shall give Hospital prompt notice in writing of any action or suit filed, and prompt notice of any claim made against Vendor by any entity that may result in litigation.

9. The Vendor shall maintain such financial records and other records as may be prescribed by the Hospital or by applicable federal and state laws, rules, and regulations. Vendor shall retain these records for a period of three (3) years after final payment, or until they are audited by the Hospital, whichever event occurs first. These records shall be made available during the term of the contract and the subsequent three-year period for examination, transcription, and audit by the Mississippi State Auditor's Office, its designees, or other authorized bodies.



10. The Vendor agrees that Hospital shall determine the disposition of, the title to and the rights under any copyright by Vendor or employees on copyrightable material first produced or composed under this agreement. Further, Vendor hereby grants to Hospital a royalty-free, nonexclusive, irrevocable license to reproduce, translate, publish, use and dispose of, and to authorize others to do so, all copyrighted (or copyrightable) work not first produced or composed by Vendor in the performance of this agreement, but which is incorporated in the material furnished under the agreement. This grant is provided that such license shall be only to the extent Vendor now has, or prior to the completion of full final settlements of agreement may acquire, the right to grant such license without becoming liable to pay compensation to others solely because of such grant.

11. If either party is rendered unable, wholly or in part, by reason of strikes, accidents, acts of God, weather conditions or any other acts beyond its control and without its fault or negligence to comply with any obligations or performance required under this agreement, then such party shall have the option to suspend its obligations or performance hereunder until the extraordinary performance circumstances are resolved. If the extraordinary performance circumstances are not resolved within a reasonable period of time, however, the non-defaulting party shall have the option, upon prior written notice, of terminating the agreement.

12. This agreement may be terminated for convenience as follows:

A. The Hospital Director may, when the interests of the Hospital so require, terminate this contract in whole or part, for the convenience of the Hospital. The Hospital Director shall give written notice of the termination to the Vendor specifying the part of the contract terminated and when termination becomes effective.

B. The Vendor shall incur no further obligations in connection with the terminated work and on the date set in the notice of termination the Vendor will stop work to the extent specified. The Vendor shall also terminate outstanding orders and subcontracts and orders connected with the terminated work. The Hospital Director may direct the Vendor to assign Vendor's rights, title, and interest under terminated orders or subcontracts to the Hospital. The Vendor must still complete the work not terminated by the notice of termination and may incur obligations as are necessary to do so.

13. This agreement may be terminated for default as follows:

A. If the Vendor refuses or fails to perform any of the provisions of this contract with such diligence as will ensure its completion within the time specified in this contract, or any extension thereof otherwise fails to timely satisfy the contract provisions, or commits any other substantial breach of this contract, the Hospital Director may notify the Vendor in writing of the delay or nonperformance and if not cured in twenty (20) days or any longer time specified in writing by the Hospital Director, such Director may terminate the Vendor's right to proceed with the contract or such part of the contract as to which there has been delay or a failure to properly

perform. In the event of termination in whole or in part, the Hospital Director may procure similar supplies or services in a manner and upon terms deemed appropriate by the Hospital Director. The Vendor shall continue performance of the contract to the extent it is not terminated and shall be liable for excess costs incurred in procuring similar goods and services.

B. Notwithstanding termination of the contract and subject to any directions from the Hospital Director, the Vendor shall take timely, reasonable, and necessary action to protect and preserve property in the possession of the Vendor in which the Hospital has an interest.

C. Payment for completed services delivered and accepted by the Hospital shall be at the contract price. The Hospital may withhold from amounts due the Vendor such sums as the Hospital Director deems to be necessary to protect the Hospital against loss because of outstanding liens or claims of former lien holders and to reimburse the Hospital for the excess costs incurred in procuring similar goods and services.

D. Except with respect to defaults of Subcontractors, the Vendor shall not be in default by reason of any failure in performance of this contract in accordance with its terms (including any failure by the Vendor to make progress in the prosecution of the work hereunder which endangers such performance) if the Vendor has notified the Hospital Director within 15 days after the cause of the delay and the failure arises out of causes such as: acts of God; acts of the public enemy; acts of the State and any other governmental entity in its sovereign or contractual capacity; fires; floods; epidemics; quarantine restrictions; strikes or other labor disputes; freight embargoes; or unusually severe weather. If the failure to perform is caused by the failure of a Subcontractor to perform or to make progress, and if such failure arises out of causes similar to those set forth above, the Vendor shall not be deemed to be in default, unless the services to be furnished by the Subcontractor were reasonably obtainable from other sources in sufficient time to permit the Vendor to meet the contract requirements.

Upon request of the Vendor, the Hospital Director shall ascertain the facts and extent of such failure, and, if such officer determines that any failure to perform was occasioned by any one or more of the excusable causes, and that, but for the excusable cause, the Vendor's progress and performance would have met the terms of the contract, the delivery schedule shall be revised accordingly, subject to the rights of the Hospital under the clause entitled in fixed-price contracts, "Termination for Convenience – Paragraph 12," in cost-reimbursement contracts, "Termination". As used in this Paragraph of this clause, the term "Subcontractor" means Subcontractor at any tier.

E. If, after notice of termination of the Vendor's right to proceed under the provisions of this clause, it is determined for any reason that the contract was not in default under the provisions of this clause, or that the delay was excusable under the provisions of Paragraph (D) (Excuse for Nonperformance or Delayed Performance)

of this clause, the rights and obligations of the parties shall, if the contract contains a clause providing for termination for convenience of the Hospital, be the same as if the notice of termination had been issued pursuant to such clause.

F. The rights and remedies provided in this clause are in addition to any other rights and remedies provided by law or under this contract.

14. That notwithstanding any other provisions of this agreement between the parties, all activities and performances of the parties with respect to the equipment, or services herein shall be subject to all applicable laws, regulations, policies and procedures of the United States of America, or any agency thereof, the State of Mississippi or any agency thereof, or any local governments or political subdivisions, as now existing and as may be amended or modified, as well as in accordance with the standards of the Joint Commission (JC), that may affect the performance of services hereunder.

15. This agreement may be modified only by written agreement signed by the parties hereto. The parties agree to renegotiate the agreement if federal and/or State of Mississippi revision of any applicable laws or regulations make changes in this agreement necessary.

16. This agreement shall be governed by and construed in accordance with the laws of the State of Mississippi, excluding its conflicts of laws provisions, and any litigation with respect thereto shall be brought in the courts of the state. The Vendor shall comply with applicable federal and State of Mississippi laws, local laws and regulations.

17. All notices required or permitted to be given under this agreement must be in writing and sent by certified United States mail, postage prepaid, return receipt requested, to the party to whom the notice should be given at the address set forth below. Notice shall be deemed given when actually received or when refused. The parties agree to promptly notify each other of any change of address.

**For the Vendor:** Mrs. David Smith, President, Smith Rehab Services, Inc., 333 Commercial Road Avenue – Suite 55, Rome, MS 39999

**For the Hospital:** Mr. James Chastain, Director, Mississippi State Hospital, Building 21, P.O. Box 1, Whitfield MS 39193

18. Failure of either party hereto to insist upon strict compliance with any of the terms, covenants, and conditions hereof shall not be deemed a waiver or relinquishment of any similar right or power hereunder at any subsequent time or of any other provision hereof, nor shall it be construed to be a modification of the terms of this agreement.

19. It is expressly understood and agreed that the obligation of the Hospital to proceed under this agreement is conditioned upon the appropriation of funds by the State of Mississippi

Legislature and the receipt of State of Mississippi and/or federal funds. If the funds anticipated for the continuing fulfillment of the agreement are at anytime not forthcoming or insufficient, either through the failure of the federal government to provide funds or of the State of Mississippi to appropriate funds or the discontinuance or material alteration of the program under which funds were provided or if funds are not otherwise available to the Hospital, the Hospital shall have the right upon ten (10) working days written notice to the Vendor, to terminate this agreement without damage, penalty, cost or expense to the Hospital of any kind whatsoever. The effective date of termination shall be as specified in the notice of termination.

20. The Vendor acknowledges that it was selected by the Hospital to perform the services required hereunder based, in part, upon the Vendor's special skills and expertise. The Vendor shall not assign, subcontract or otherwise transfer this agreement in whole or in part without the prior written consent of the Hospital, which the Hospital may, in its sole discretion, approve or deny without reason. Any attempted assignment or transfer of its obligations without such consent shall be null and void. No such approval by the Hospital of any subcontract shall be deemed in any way to provide for the incurrence of any obligation of the Hospital in addition to the total fixed price agreed upon in this agreement. Subcontracts shall be subject to the terms and conditions of this agreement and to any conditions of approval that the Hospital may deem necessary. Subject to the foregoing, this agreement shall be binding upon the respective successors and assigns of the parties.

21. The Vendor understands that the Hospital is an equal opportunity employer and therefore maintains a policy which prohibits unlawful discrimination based on race, color, creed, sex, age, national origin, physical handicap, disability, genetic information, or any other consideration made unlawful by federal laws, State of Mississippi laws, or local laws. All such discrimination is unlawful and the Vendor agrees during the term of the agreement that the Vendor will strictly adhere to this policy in its employment practices and provision of services. The Vendor shall comply with, and all activities under this agreement shall be subject to, all applicable federal, State of Mississippi, and local laws and regulations, as now existing and as may be amended or modified.

22. Upon the termination of this agreement, Vendor will at its expense, on that date agreed upon by the parties, crate, insure and ship any vendor owned equipment, covered under this agreement, to a destination designated by the Vendor.

23. The Vendor represents that it has not retained a person to solicit or secure a Hospital contract upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, except as disclosed in the Vendor's bid or proposal.

24. The Vendor certifies that the prices submitted in response to the solicitation have been arrived at independently and without - for the purpose of restricting competition - any consultation, communication, or agreement with any other offeror or competitor relating to those prices, the intention to submit a proposal, or the methods or factors used to calculate prices.

25. The bidder, offeror, or Vendor represents that it has not violated, is not violating, and promises that it will not violate the prohibition against gratuities set forth in Section 6-204 (Gratuities) of the Mississippi Personal Service Contract Review Board Rules and Regulations.

26. The contract shall be governed by the applicable provisions of the Mississippi Personal Service Contract Review Board Rules and Regulations, a copy of which is available at 210 East Capitol, Suite-800, Jackson, MS 39201, for inspection, or downloadable at [www.mspb.ms.gov](http://www.mspb.ms.gov).

27. The Hospital Director or designated Procurement Officer, may, by written order to the contractor at any time, and without notice to any surety, require the Vendor to stop all or any part of the work called for by this contract. This order shall be for a specified period not exceeding 90 days after the order is delivered to the Vendor, unless the parties agree to any further period. Any such order shall be identified specifically as a stop work order issued pursuant to this clause. Upon receipt of such an order, the Vendor shall forthwith comply with its terms and take all reasonable steps to minimize the occurrence of costs allocable to the work covered by the order during the period of work stoppage. Before the stop work order expires, or within any further period to which the parties shall have agreed, the Hospital Director or Procurement Officer shall either:

- A. Order to Stop Work.
  - (1.) cancel the stop work order; or
  - (2.) terminate the work covered by such order as provided in the 'Termination for Default Clause' (paragraph 13) or the 'Termination for Convenience Clause' (paragraph 12) of this contract.
- B. Cancellation or Expiration of the Order. If a stop work order issued under this clause is canceled at any time during the period specified in the order, or if the period of the order or any extension thereof expires, the Vendor shall have the right to resume work. An appropriate adjustment shall be made in the delivery schedule or Vendor price, or both, and the contract shall be modified in writing accordingly, if:
  - (1) the stop work order results in an increase in the time required for, or in the Vendor's cost properly allocable to, the performance of any part of this contract; and
  - (2) the Vendor asserts a claim for such an adjustment within 30 days after the end of the period of work stoppage; provided that, if the Hospital Director or Procurement Officer decides that the facts justify such action, any such claim asserted may be received and acted upon at any time prior to final payment under this contract.
- C. If a stop work order is not canceled and the work covered by such order is terminated for default or convenience, the reasonable costs resulting from the stop work order shall be allowed by adjustment or otherwise.
- D. Any adjustment in contract price made pursuant to this clause shall be determined in accordance with the Price Adjustment Clause (paragraph 28) of this contract.

28. Any adjustment in contract price pursuant to a clause in this contract shall be made in one or more of the following ways:

- A. by agreement on a fixed price adjustment before commencement of the additional performance;
- B. by unit prices specified in the contract;
- C. by the costs attributable to the event or situation covered by the clause, plus appropriate profit or fee, all as specified in the contract; or
- D. price escalation clause.

The Vendor shall provide cost or pricing data for any price adjustments subject to the provisions of Section 3-403 (Cost or Pricing Data) of the Mississippi Personal Service Contract Procurement Regulations.

29. This agreement, including all contract documents, represents the entire integrated agreement between the parties hereto and supersedes all prior negotiations, representations or agreements, irrespective of whether written or oral. This agreement may be altered, amended, or modified only by a written document executed by the Hospital and Vendor. Vendor acknowledges that it has thoroughly read all documents and has had the opportunity to receive competent advice and counsel necessary for it to form a full and complete understanding of all rights and obligations herein. Accordingly, this agreement shall not be construed or interpreted in favor of or against the Hospital or Vendor on the basis of draftsmanship or preparation hereof.

30. Subject to other terms and conditions of this agreement, in the event the Vendor defaults in any obligations under this agreement, the Vendor shall pay to the Hospital all costs and expenses (including, without limitation, investigative fees, court costs, and attorney's fees) incurred by the Hospital in enforcing this agreement or otherwise reasonably related thereto. The Hospital, after due oral or written notice, may procure the services from other sources and hold Vendor responsible for any resulting additional purchase and administrative costs. Vendor agrees that under no circumstances shall the Hospital be obligated to pay any attorney's fees or costs of legal action to the Vendor.

31. To the fullest extent allowed by law, the Vendor shall indemnify, defend, save and hold harmless, protect, and exonerate the Hospital, its Commissioners, Board Members, officers, employees, agents, and representatives, and the State of Mississippi from and against all claims, demands, liabilities, suits, actions damages, losses, and costs of every kind and nature whatsoever, including, without limitation, court costs, investigative fees and expenses, and attorneys' fees, arising out of or caused by the Vendor and/or its partners, principals, agents, employees and/or subcontractors in the performance of or failure to perform this agreement. In the Hospital's sole discretion, the Vendor may be allowed to control the defense of any such claim, suit, etc. In the event the Vendor defends said claim, suit, etc., the Vendor shall use legal counsel acceptable to the Hospital; The Vendor shall be solely responsible for all costs and/or expenses associated with such defense, and the Hospital shall be entitled to participate in said defense. The Vendor shall not settle any claim, suit, etc. without the Hospital's concurrence, which the Hospital shall not unreasonably

withhold.

32. If, at any time during the contract term, the service performed or work done by the Vendor is considered by the Hospital to create a condition that threatens the health, safety, or welfare of the patients and/or employees of the Hospital, the Vendor shall, on being notified by the Hospital, immediately correct such deficient service or work. In the event the Vendor fails, after notice, to correct the deficient service or work immediately, the Hospital shall have the right to order the correction of the deficiency by separate contract or with its own resources at the expense of the Vendor.

33. Confidential information shall mean (a) health records/medical records, materials, documents, data, and other information which the Hospital has designated as proprietary and confidential, and (b) all data and information which the Vendor acquires as a result of its contact with and efforts on behalf of the Hospital and any other information designated in writing as confidential by the State of Mississippi. Each party to this agreement agrees to protect all confidential information provided by one party to the other; to treat all such confidential information as confidential to the extent that confidential treatment is allowed under State and/or Federal law, and, except as otherwise required by law, not to publish or disclose such information to any third party without the other party's written permission, and to do so by using those methods and procedures normally used to protect the party's own confidential information. Any liability resulting from the wrongful disclosure of confidential information on the part of the Vendor or its Subcontractor shall rest with the Vendor. Disclosure of any confidential information by the Vendor or its Subcontractor without the express written approval of Hospital, shall result in the immediate termination of this agreement.

34. Any reference in the contract to "Mississippi State Hospital" or "MSH" or "State" is considered to be the same reference as "Hospital", as stated on line two (2) of page one (1) of the contract.

35. Vendor agrees to comply with the Administrative Simplifications provisions of the Health Insurance Portability and Accountability Act of 1996, including electronic data interchange, code sets, identifiers, security, and privacy provisions, as may be applicable to the services under this contract.

36. Each party to this agreement agrees not to employ or to solicit for employment, directly or indirectly, any persons in the full-time or part-time employment of the other party until at least twelve (12) months after this agreement terminates unless mutually agreed to in writing by the Hospital and the Vendor.

37. Payments by State of Mississippi agencies using the State's accounting system shall be made and remittance information provided electronically as directed by the State of Mississippi. These payments shall be deposited into the bank account of the Contractor's choice. The State of

Mississippi may, at its sole discretion, require the Contractor to electronically submit invoices and supporting documentation at any time during the term of this Agreement. Contractor understands and agrees that the State of Mississippi is exempt from the payment of taxes. All payments shall be in United States currency.

38. If applicable, Contractor represents and warrants that it will ensure its compliance with the Mississippi Employment Protection Act of 2008, and will register and participate in the status verification system for all newly hired employees. Miss. Code Ann. 71-11-1 et seq. (1972, as amended). The term "employee" as used herein means any person that is hired to perform work within the State of Mississippi. As used herein, "status verification system" means the illegal Immigration Reform and Immigration Responsibility Act of 1996 that is operated by the United States Department of Homeland Security, also known as the E-Verify Program, or any other successor electronic verification system replacing the E-Verify Program. Contractor agrees to maintain records of such compliance. Upon request of the State and after approval of the Social Security Administration or Department of Homeland Security when required, Contractor agrees to provide a copy of each such verification. Contractor further represents and warrants that any person assigned to perform services hereafter meets the employment eligibility requirements of all immigration laws. The breach of this agreement may subject Contractor to the following: (a) termination of this Agreement and ineligibility for any state or public contract in Mississippi for up to three (3) years, with notice of such cancellation/termination being made public, or (b) the loss of any license, permit, certification or other document granted to Contractor by an agency, department or governmental entity for the right to do business in Mississippi for up to one (1) year, or (c) both. In the event of such termination/cancellation, Contractor would also be liable for any additional costs incurred by the State due to contract cancellation or loss of license or permit to do business in the State.

39. Contractor agrees to accept all payments in United States Currency via the State of Mississippi's electronic payment and remittance vehicle. The agency agrees to make payment in accordance with Mississippi law on "Timely Payments for Purchases by Public Bodies," which generally provides for payment of undisputed amounts by the agency within forty-five (45) days of receipt of invoice. Miss. Code Ann. 31-7-305 (1972, as amended).

40. This contract, including any accompanying exhibits, attachments, and appendices, is subject to the "Mississippi Public Records Act of 1983," and its exceptions. See Miss. Code Ann. 25-61-1 et seq. (1972, as amended) and Miss. Code Ann. 79-23-1 (1972, as amended). In addition, this contract is subject to the provisions of the Mississippi Accountability and Transparency Act of 2008. Miss Code Ann. 27-104-151 et seq. (1972, as amended). Unless exempted from disclosure due to a court-issued protective order, a copy of this contract is required to be posted to the Department of Finance and Administration's independent agency contract website for public access at <http://www.transparency.mississippi.gov>. Information identified by the Contractor as trade secrets, or other proprietary information, including confidential vendor information or any other information which is required confidential by state for federal law or outside the applicable freedom of



information statutes will be redacted.

41. This agreement consists of eleven (11) pages plus attachments. The original will be retained by the Hospital. A copy of the original shall have the same force and effect as the original for all purposes. To express the parties' intent to be bound by the terms of this agreement, they have executed this document on the dates set forth below.

**Smith Rehab Services, Inc.**

By: \_\_\_\_\_  
Authorized Signature

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**Mississippi State Hospital**

By: \_\_\_\_\_  
Authorized Signature

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

## Exhibit - D

### CERTIFICATIONS AND ASSURANCES

I/We make the following certifications and assurances as a required element of the offer to which it is attached, understanding that the truthfulness of the facts affirmed here and the continued compliance with these requirements are conditions precedent to the award or continuation of the related contract(s):

01. Representation Regarding Contingent Fees. The contractor represents that it has/has not **(Circle One)** retained a person to solicit or secure a State contract upon an agreement or understanding for a commission, percentage, or contingent fee, except as disclosed in the contractor's bid.
02. Representation Regarding Gratuities. The bidder, or contractor represents that it has/has not **(Circle One)** violated, is not violating, and promises that it will not violate the prohibition against gratuities set forth in Section 7-204 (Gratuities) of the Mississippi Personal Service Contract Procurement Regulations.
03. Certification of Independent Price Determination. The bidder certifies that the prices submitted in response to the solicitation has/has not **(Circle One)** been arrived at independently and without – for the purpose of restricting competition – any consultation, communication, or agreement with any other bidder or competitor relating to those prices, the intention to submit an bid, or the methods or factors used to calculate the prices offered.
04. Prospective Contractor's Representation Regarding Contingent Fees. The prospective contractor represents as a part of such contractor's bid that such contractor has/has not **(Circle One)** retained any person or agency on a percentage, commission, or other contingent arrangement to secure this contract.
05. Certification of Non-Debarment. By submitting a bid, the bidder certifies that it is/is not **(Circle One)** currently debarred from submitting bids for contracts issued by an political subdivision or agency of Mississippi and that it is not an agent of a person or entity that is currently debarred from submitting bids for contracts issued by any political subdivision or agency of the State of Mississippi.

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Signature of Bidder

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Title

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Date

NOTE: IT IS MANDATORY THAT THIS PAGE BE SIGNED AND RETURNED WITH BID

EXHIBIT - E

**BID ACKNOWLEDGEMENT AND AUTHORIZATION FORM**  
**FOR PROPOSED AGREEMENT ON REHABILITATION MANAGEMENT AND TREATMENT SERVICES**

1. The undersigned hereby acknowledges that he/she has read and understands the specifications, requirements, and proposed agreement regarding **professional rehabilitation management and treatment** services issued by Mississippi State Hospital (MSH). He/she further acknowledges that the bidder's proposed equipment, materials and/or services fully meet or exceed those as specified in Mississippi State Hospital Invitation For Bid (IFB) for **professional rehabilitation management and treatment** services dated **November 18, 2015**. Additionally, the bidder agrees that all of its bid documents and responses to the aforementioned Invitation For Bid will, at the option of MSH, become a legally binding and essential portion of the final contract between the bidder and MSH.
2. The undersigned hereby agrees that all information contained in this Invitation For Bid is "Confidential and Proprietary Information," and agrees that it will not permit the duplication, use or disclosure of any such Confidential and Proprietary Information to any person (other than its own employees who must have such information for the performance of obligations thereunder by legal means), without authorization in writing by an authorized Project Officer of MSH.
3. By signing below, the undersigned acknowledges that he/she is a duly authorized agent of the company listed below and, as such, agrees to all above terms and conditions of the IFB for **professional rehabilitation management and treatment** services in whole, with exception of those noted as required and with exception of those amendments as acknowledged in writing to bidder and signed by a duly authorized agent of MSH.

Company Name: \_\_\_\_\_

Name of Authorized Agent (Printed): \_\_\_\_\_

Signature of Authorized Agent: \_\_\_\_\_

Date: \_\_\_\_\_

NOTE: IT IS MANDATORY THAT THIS FORM BE SIGNED AND RETURNED WITH BID

## EXHIBIT – F

### MISSISSIPPI DEPARTMENT OF FINANCE AND ADMINISTRATION ADMINISTRATIVE RULE FOR MANDATORY ELECTRONIC PAYMENT OF VENDORS

Vendor Name (“Vendor”): \_\_\_\_\_

Vendor has received a copy of the “Mississippi Department of Finance and Administration  
Administrative Rule on Mandatory Electronic Payment of Vendors.”

Vendor understands that MSH is an agency of the State of Mississippi, and as such, its payments are  
processed by the Mississippi Department of Finance and Administration (“DFA”).

Vendor agrees to one of the following:

- a) Within 60 days, enroll in the State of Mississippi E-Payment vehicle, currently  
Paymode™, for the receipt of payment from the State of Mississippi.
- b) Obtain an exemption from DFA before providing any good or services which may be  
billable to MSH.

Vendor understands that payment will not be received from the MSH until enrollment in  
Paymode™ is complete, or an exemption is granted by DFA.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

1

MISSISSIPPI DEPARTMENT OF FINANCE AND ADMINISTRATION  
ADMINISTRATIVE RULE  
MANDATORY ELECTRONIC PAYMENT OF VENDORS

**I. General Purpose.**

- A. The Mississippi Department of Finance and Administration (DFA) serves as the primary executive branch agency for fiscal management. Under §7-7-41, the State Fiscal Officer has the authority to prescribe rules and regulations concerning the issuance of warrants and other forms of payments for all departments, institutions and agencies of the state. This rule, unless otherwise noted, is to set as the standard that vendors of the State of Mississippi shall be paid electronically and shall be provided the supporting remittance detail by electronic means.
- B. This rule is a means for reducing the costs to produce paper warrants and remittance advices. The State has documented significant savings in the move to electronic payment and remittance. The State avoids the costs associated with printing, sorting, distributing, copying, and mailing warrants. Additionally, the State has determined that there are reduced opportunities for fraud and lost payments under this means of payment and remittance.
- C. Vendors benefit by receiving notification of pending deposits of funds and have options for interfacing the remittance data from the State into their accounts receivable systems.

**II. Definitions.**

- A. ACH: Automated Clearing House. Affiliated with the U. S. Treasury and the Federal Reserve System and used as the conduit for electronic payments and collections.
- B. EFT: Electronic Funds Transfer. Electronic Funds Transfer (EFT) provides for electronic payments and collections. EFT is safe, secure, efficient, and less expensive than paper check payments and collections. Issuance costs for EFT payments are approximately 80% less than the cost to issue the same payment on a paper warrant. EFT transactions use the ACH network associated with the Federal Reserve System.
  - 1. The State of Mississippi uses “standard EFT” for transferring funds to employee bank accounts for direct deposit of payroll payments and for some transfers to checking accounts of State agencies.
  - 2. The State uses expanded EFT in the transfer of funds and remittance information using PayMode™. The State has established PayMode™ as the default payment method for those payments and transfers requiring supporting remittance information.
- C. E-payment vehicle: Tool that captures the payment and remittance information and pushes it electronically to the designated vendor from the source system (SAAS or SPAHRS). The ACH is used to move the funds while a proprietary system is used to provide access to supporting remittance data and notification of the availability of funds to the State’s vendors.
- D. Existing Agreements: Individual agreements in place for the acceptance of electronic

payments prior to the implementation of this policy.

- E. PayMode™: A Bank of America product, PayMode™ is the State's present e-payment vehicle.
- F. SAAS: Statewide Automated Accounting System.
- G. SPAHRS: Statewide Payroll and Human Resource System.
- H. Vendor payments: Payments initiated and approved by State Agencies for various goods and services or as used to transfer funds to other governing authorities such as school districts, cities, and counties.

### **III. Requirements for Transitioning to E-payment Vehicle**

- A. All existing vendors presently set up for payment through standard EFT, unless otherwise approved as an exemption, must be enrolled in PayMode™ not later than April 1, 2006.
- B. All vendors established as new vendors in the State Automated Accounting System (SAAS) as of April 1, 2006 must be established for e-payment and remittance via PayMode™.
- C. All remaining SAAS and SPAHRS vendors, unless specifically exempted, must convert to PayMode™ by July 1, 2006.
- D. To register for PayMode™, vendors should go to the Bank of America's™ enrollment website at <http://www.bankofamerica.com/paymode/ms>.
  - 1. Vendor must have a valid email address in order to enroll with PayMode™. This email address can be obtained through one of the free email services such as Yahoo or Hotmail.
  - 2. Vendor must have access to a computer. As computers are generally accessible in all businesses as well as in Public Libraries or other public forums, no exemption will be granted for having only limited or no access to a computer.
  - 3. Vendor may request assistance in enrolling with the State's e-payment service provider by contacting [mash@dfa.state.ms.us](mailto:mash@dfa.state.ms.us) or by calling MASH at (601) 359-1343.

### **IV. Exemptions**

- A. The following are exempt from this rule:
  - 1. State employees as defined in §25-9-107;
  - 2. Contract workers – note that Independent Contractors are **not** exempt from this rule;
  - 3. Vendors specifically approved for “one of” payments using the specific vendor number designated for that purpose by the Office of Fiscal Management;
  - 4. Right-of-Way acquisition payments made by the Mississippi Department of Transportation;

5. Debt service payments made by the Office of the State Treasurer;
6. Tax payments to the IRS (standard EFT);
7. Tax payments to the Mississippi State Tax Commission (standard EFT);
8. Transfers to the Public Employees Retirement System of Mississippi (standard EFT);
9. Transfers to the Mississippi Deferred Compensation and Trust/SBA (standard EFT);
10. Vendors who apply for exemption and are approved by DFA.

B. To apply for exemption, the vendor must submit a written application to:

Director, Office of Fiscal Management  
Department of Finance and Administration  
501 North West Street, Suite 1101B  
Jackson, Mississippi 39201

C. Application must detail the following:

1. Reason(s) exemption requested. This must be a narrative explanation of the reason for the request;
2. Documentation of supporting cost and legal issues associated with the request for the exemption.

D. DFA will issue a written determination within 10 business days of the receipt of the exemption request. The written determination of DFA will be considered the final determination.

## COMMUNICATON AND COMPUTER ACCESS INFORMATION – EXHBIT: G

Contractor shall provide their own long distance fax/telephone service which is available through AT&T.

MSH will provide modem quality line through the MSH telephone switch for external electronic communication and connectivity. Electronic communication between MSH and Contractor shall be achieved with MSH's e-mail provider and Contractor's e-mail provider.

Contractor shall provide their own computers, printers, software, and any other hardware/software necessary for connection and communication (e-mail, time, reports, etc.) to the Contractor's home office, unless otherwise approved by the MSH Information Management Director.

Contractor and Hospital understand and agree that the State of Mississippi's Enterprise Security Policy mandates that all remote access to and/or from the State network must be accomplished via Virtual Private Network (VPN) or using a web-based encrypted support method that is initiated from within the State network. If remote access is required at any time during the life of this agreement, Contractor and Hopsital agree to implement/maintain a VPN or utilize a web-based encrypted support method that is initiated from within the State network for this connectivity. The VPN must be IPSec-capable (ESP tunnel mode) and will terminate on a Cisco VPN-capable device (i.e. VPN concentrator, PIX firewall, etc.) on the State's premises. Contractor agrees that it must, at its expense, implement/maintain a compatible equipment/software solution to terminate the specified VPN on the Contractor's premises or utilize a web-based encrypted support method that is initiated from within the State's network.

If at any time connectivity needs to be initiated by the Contractor, a VPN must be utilized. The web-based encrypted support method should not be used as a substitute for permanent LAN-TOLAN VPN solution. If the web-based encrypted support method is utilized, it is understood that each session should only be established as needed for individual problems and supervised by Hospital personnel. At such time that Hospital personnel are unavailable to monitor the support session, said session must be terminated.

The parties further understand and agree that the State protocol standard and architecture are based on industry-standard security protocols and manufacturer engaged at the time of contract execution. The State reserves the right to introduce a new VPN protocol and architecture standard and require Contractor to comply with same (if using an IPSEC/ESP-based VPN), in the event the industry introduces a more secure, robust protocol/architecture and/or there is a change in the manufacturer engaged.